

# Fair Payment Code

## Application Process Guidance - Simple Guide



The evidence required for each Award Level is as follows:

### Award Level

### Evidence Requirements



- Proof of payment performance specifying that at least 95% of invoices to all suppliers are paid within 60 days
- At least 2 references from supply chain



- Proof of payment performance specifying that at least 95% of invoices to all suppliers are paid within 60 days
- Proof of payment performance specifying that at least 95% of invoices to suppliers with less than 50 employees are paid within 30 days
- At least 2 references from supply chain, ensuring at least 1 reference is from a supplier with less than 50 employees



- Proof of payment performance specifying that at least 95% of invoices to all suppliers are paid within 30 days
- An example of your standard contract stating when you intend to pay suppliers. Please note that this must also stipulate your terms for paying interest on late payments, (payments made after 30 days) in line with the Late Payment and Commercial Debts Act of 1998.
- At least 2 references from supply chain, ensuring at least 1 reference is from a supplier with less than 50 employees

## **Proof of Payment Performance**

This can be in the form of:

- Payment Practices Reporting Data (If you are currently reporting)
- Data from a reputable digital accounting software system
- Evidence from an invoicing system
- A statement of confirmation providing evidence of payment terms from a Chief Financial Officer, Finance Director or Accountant

Please note that any of these submitted must:

- Include at least 6 months of data
- Clearly specify a percentage summary of invoices paid within 30 or 60 days
- Be taken from receipt of invoice

We will not accept:

- A summary for individual suppliers
- A list of invoices and the date these are paid

## **Standard Contracts**

Your proof of standard contractual terms must:

- Be the contract you send to your suppliers
- Specify exactly when you intend to pay suppliers

## **References**

- Please ensure they have been contacted prior to make them aware.
- If you are applying for the Silver and Gold Award, at least one reference must be from a business with less than 50 employees.
- Please note that when we reach out, we will ask for the number of employees in their business.

## **Any questions?**

**If you have any questions about your application, please don't hesitate to reach out to the FPC Team: [fpc@smallbusinesscommissioner.gov.uk](mailto:fpc@smallbusinesscommissioner.gov.uk).**